Carl Moyer Memorial Air Quality Standards Attainment Program

Lower-Emission School Bus Program

AUDIT REPORT

Monterey Bay Unified Air Pollution Control District Fiscal Years 2003/2004 – 2006/2007

Prepared by: Mobile Source Control Division Air Resources Board

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Executive Summary

This report covers the 2008 audit of the Monterey Bay Unified Air Pollution Control District's (Monterey Bay Unified APCD or District) implementation of the Carl Moyer Memorial Air Quality Standards Attainment Program (Carl Moyer Program) and the Lower-Emission School Bus Program (School Bus Program). The California Air Resources Board (ARB) found that these programs as implemented by the Monterey Bay Unified APCD are achieving the expected emission reductions and are generally in compliance with State requirements. Audit findings, which are discussed below, mostly reflect specific deficiencies in documentation and reporting that should be straightforward for the District to correct. One finding reflects concerns with match projects that have already been partially mitigated.

The Carl Moyer Program achieves reductions in air pollution by providing grants that fund the extra cost of voluntary purchases of heavy-duty diesel vehicles, engines, and equipment that meet cost-effectiveness criteria and achieve emission reductions that are surplus to regulatory requirements. The Carl Moyer Program is implemented at the local level by California's 35 local air pollution control/air quality management districts under the oversight of the ARB.

The School Bus Program is a voluntary State grant program to clean up the aging school bus fleet that serves California's public schools. The School Bus Program provides grants to purchase new school buses that replace older, high-emitting buses and to retrofit existing diesel buses with ARB-verified diesel emission control systems. Some air districts, including the Monterey Bay Unified APCD, implement the new bus purchase and/or the retrofit components in their regions.

The Monterey Bay Unified APCD has jurisdiction over the air quality in the North Central Coast Air Basin, comprising Monterey, San Benito, and Santa Cruz counties. While the North Central Coast Air Basin meets current federal health-based ambient air quality standards, it does not meet California's more stringent ambient air quality standards for ozone (smog) or particulate matter (soot). The projects funded under the Carl Moyer Program play a significant role in achieving emission reductions for the region to help attain and maintain federal and State ambient air quality standards. In addition, the emission reductions achieved by the School Bus Program reduce children's exposure to harmful air pollutants during their developing years.

The ARB has awarded the Monterey Bay Unified APCD more than \$4.7 million in State funds for the Carl Moyer Program over the first nine years of the program (fiscal years 1998/1999 to 2006/2007). The District has leveraged State funds with over \$1.3 million in local match funds during those same years, utilizing funds that are under local control such as those generated by motor vehicle fees. The District has funded over 150 cleaner engines, and has reduced NO_x emissions by approximately 98 tons per year and diesel particulate matter emissions by approximately 5.5 tons per year. In addition,

since the School Bus Program's inception in 2000/2001, the Monterey Bay Unified APCD has been awarded approximately \$1.5 million in State School Bus Program funds that it has matched with over \$200,000 in local funds. The District has used those funds to replace 11 older, high-polluting buses, retrofit almost 60 existing diesel school buses with emission control devices, and purchase two particulate filter cleaning systems.

This audit focused on the Monterey Bay Unified APCD's Carl Moyer Program as conducted during the 2003/2004 and 2004/2005 fiscal years; the ARB staff also reviewed aspects of that program as it was conducted during the 2005/2006 and 2006/2007 fiscal years. The audit also focused on the School Bus Program for the 2005/2006 fiscal year, which was the only year within the scope of the audit that State School Bus Program funds were awarded to the District.

The ARB contracted with the California Department of Finance, Office of State Audits and Evaluations (Department of Finance) to perform a review of the fiscal elements of the Monterey Bay Unified APCD's Carl Moyer and School Bus Programs during the same audit years. The methods and results of the fiscal portion of the audit are covered in a separate Department of Finance report.

The ARB audit of Monterey Bay Unified APCD's Carl Moyer and School Bus Programs found that the District runs solid programs that generally meet the requirements of the Health and Safety Code and applicable Guidelines. In addition, the audit found that the Monterey Bay Unified APCD's Carl Moyer Program includes commendable efforts that go above and beyond the basic Carl Moyer Program requirements. Such commendable efforts include clear and concise application forms and instructions for the Carl Moyer Program and the School Bus Program and timely expenditures of Carl Moyer Program funds.

Finally, the audit resulted in four findings regarding the Monterey Bay Unified APCD's implementation of the Carl Moyer Program: ineligible match projects, inadequate documentation of policies in practice, inaccurate reporting to the ARB, and incomplete inspections. The audit also resulted in one finding regarding the District's implementation of the School Bus Program: lack of required language in the grant agreement specifying a California Highway Patrol safety inspection.

I. Audit Procedure Overview

Air Resources Board Audit Procedure

State law provides the ARB with oversight responsibilities and the authority to audit district Carl Moyer and School Bus Programs (Health and Safety Code sections 39002, 39003, 39500, 39600, 39602, 39605(b), 41500, 44287, and 44291).

The audit of both programs followed a number of similar general procedures. The audit was conducted in two main phases; a desk review and an on-site review. ARB staff used risk-based audit selection criteria to identify a sample of Carl Moyer and School Bus Program projects for file (desk) reviews, and on-site field inspections were conducted on a subset of the Carl Moyer Program projects. ARB staff also reviewed other District documents such as forms, contracts, relevant District Governing Board materials, and its policies and procedures manual. Staff remained in close communication with the District throughout this process to clarify issues as they arose and to request additional materials as needed. See Attachments 1 and 2 for lists of the projects that were reviewed, and Attachment 3 for links to more detailed information regarding ARB audit procedures and other information resources.

Fiscal Review

The ARB contracted with the Department of Finance to perform an in-depth review of the fiscal elements of the District's Carl Moyer Program and School Bus Program concurrent with this report by the ARB. ARB staff work closely with Department of Finance staff and there is some overlap between the two reviews. The Department of Finance, however, focuses on fiscal issues and follows their own departmental procedures for their portion of the audit. Although both the ARB and Department of Finance evaluate district's efficiency in expending program funds, the analyses and interpretations may differ. For example, the ARB evaluates whether a district meets (on a cumulative basis) expenditure requirements by program deadlines, and reports only if a district does not achieve anticipated emission reductions. In contrast, the Department of Finance typically presents each annual grant and its associated expenditures over the audit period, which may show different amounts of expended funds by program deadlines. The methods used and the results of the fiscal portion of the audit are covered in the Department of Finance report. Therefore, both reports should be viewed together for a complete perspective of Monterey Bay Unified APCD's implementation of the programs.

II. Carl Moyer Program Audit

A. Monterey Bay Unified APCD's Implementation of the Carl Moyer Program

The Monterey Bay Unified APCD has participated in the Carl Moyer Program every year since the program's inception. The District uses a first-come, first-served approach to solicit projects for funding. Applications are accepted on a continuous basis. Information regarding the Carl Moyer Program, source category-specific applications,

and instructions are available on the District's website (http://www.mbuapcd.org). Demand for Carl Moyer Program funds has consistently been greater than the supply and there is usually a backlog of applications waiting processing.

Potential applicants typically learn about Carl Moyer Program funding opportunities through the District's website and from local engine dealers. While the District does not conduct formal Carl Moyer Program training for the engine dealers, Monterey Bay Unified APCD staff communicate with engine dealers and keep them up-to-date on program status. In addition, District staff periodically attend trade shows where they hand out a postcard that has brief information regarding the Carl Moyer Program. District staff receive numerous calls from potential applicants via a dedicated phone line that is checked regularly.

Once an application is received, the Monterey Bay Unified APCD mails the applicant a letter that acknowledges receipt and informs the applicant that District staff may contact them for further information. Once a project reaches the top of the waiting list, District staff calls the applicant and then perform an initial inspection ("pre-inspection"), where complete information regarding a potential project is obtained. The Monterey Bay Unified APCD has conducted project pre-inspections since the beginning of the Carl Moyer Program. The eligibility of a potential project is determined by District staff using the information contained in the application and the information gathered during the pre-inspection.

The District's funding priorities influence the order in which some applications are processed. Electrification projects, while not common in the District, are granted immediate processing ahead of all other projects on the waiting list, which were encouraged in ARB's 2005 Guidelines. The Monterey Bay Unified APCD also allocates part of Carl Moyer Program funds by geographic location (i.e., divided between the three counties that comprise the District in proportion to each county's population) and for fiscal years 2003/2004 and 2004/2005 by environmental justice status. Typically, the county allocations are taken into consideration in awarding grant funds from January through June each year. Once the allocation for a given county is fully awarded to projects, no additional projects located in that county are awarded grants in that time frame. After that six-month period, grant funds are awarded to projects without regard to the county allocations. Cost-effectiveness is also used to screen projects. With some exceptions, the District funds projects with a cost-effectiveness below \$8,000 per weighted ton of pollutants – more stringent than the cap imposed by the Carl Moyer Program Guidelines.

The District Governing Board has authorized the Air Pollution Control Office (APCO) to approve individual projects funded under the Carl Moyer Program. Once a project has been approved by the APCO, District staff make a verbal offer to the applicant over the phone to ensure the applicant is still interested. This is followed by a written contract, which the District typically requires to be signed within 30 days. Once the contract is signed, grantees typically have 180 days to conduct the contracted work.

Once a grantee incurs project expenses and submits an invoice to the Monterey Bay Unified APCD for payment, District staff conduct a post-inspection of the project. The District has conducted post-inspections on all projects since the Carl Moyer Program's inception. Program staff also review the invoice to make sure it's consistent with information in the contract. Once approved by staff, the invoice is packaged with the post-inspection report and provided to the APCO for approval. Grantees are required to report to the District regarding the status and operation of the project every year for five years from the date of the post-inspection.

To meet the Carl Moyer Program match requirement, the Monterey Bay Unified APCD uses proceeds from a \$4.00 surcharge on motor vehicle registration fees (Assembly Bill 2766, Statutes of 1990) and other local mitigation monies to fund match projects. As part of its annual grant application to the ARB for Carl Moyer Program funding, the District typically provides a list of specific projects for which match funding has already been obligated to substantiate that it is able to meet its match commitment.

B. Commendable Efforts

The commendable efforts included in this section are noteworthy accomplishments by the Monterey Bay Unified APCD. Commendable efforts are exceptional practices that may serve as a model for other California districts' Carl Moyer Programs.

1. Clear and Concise Application Forms and Instructions

The Monterey Bay Unified APCD has developed user-friendly application forms for various source categories (agricultural pumps, off-road equipment, on-road vehicles, fleet modernization, and marine vessels) and instructions on how to complete the forms. In addition to being designed for clarity, the forms are also readily available. The District makes these forms available through its website and also has a dedicated phone line that prospective applicants can call to request hard copies of forms.

2. Timely Expenditures of Carl Moyer Program Project Funds

Another commendable effort identified for the Monterey Bay Unified APCD is its expenditure of Carl Moyer Program project funds in a timely manner. Districts are required to obligate Carl Moyer Program funds by June 30th of the year following ARB's grant award to the district and to expend project funds by June 30th of the second year following the grant award. For example, funds awarded by ARB to a district for the 2003/2004 fiscal year must be obligated by June 30, 2005, and expended by June 30, 2006. The ARB audit team's cumulative analysis of expenditures for fiscal years 2003/2004 and 2004/2005 showed that the District met expenditure requirements in a timely manner. These funds were expended two to five months before the end of the fiscal year. In addition, as of February 2008, the District expended approximately 81 percent of the grant funds for the current fiscal year, which shows good progress for meeting expenditure deadlines for fiscal year 2005/2006 funds.

C. Recommendations for Future Carl Moyer Program Improvement

The Monterey Bay Unified APCD should consider improving the current implementation of the Carl Moyer Program as noted below. These recommendations do not require a response from the District, although it may choose to comment in its written response to this audit report.

1. Greater Frequency of Fiscal and Program Expenditure Reconciliation

ARB auditors observed that Monterey Bay Unified APCD program staff was not readily able to identify how much interest there is from Carl Moyer Program funds or how much money is left in specific contracts. The District program staff conveyed that they reconcile with fiscal staff annually. Due to the amount of funds being received by the District and the potential for projects dropping out at inopportune times, program staff should be aware of the on-going status of Carl Moyer Program expenditures to regularly assist in planning decisions. ARB recommends that program and fiscal staff reconcile expenditures on at least a quarterly basis.

2. Contract Attachments

ARB staff observed that the hard copy of contract attachments in the project files was loosely connected to the contract. This makes it difficult to determine if there were updates to the contract subsequent to the execution date. ARB staff recommend adding page numbers to the attachments to be able to retain the contract in its entirety. This will facilitate tracking any changes or updates in the contract.

In response to the preliminary audit recommendations, Monterey Bay Unified APCD has indicated its intent to paginate the entire contract, including attachments.

III. School Bus Program Audit

A. Monterey Bay Unified APCD's Implementation of the School Bus Program

To implement the School Bus Program, the Monterey Bay Unified APCD uses a procedure generally similar to that used to implement the Carl Moyer Program, which was described in Section II of this report. The same District staff implement both programs. Implementation variations between the two programs are primarily a function of differing program requirements, and are briefly discussed below.

For soliciting applications for the School Bus Program, when funds become available the Monterey Bay Unified APCD conducts a large mail-out to school bus fleet managers and school superintendents. The mail-out describes the program and invites applications to be sent back to the District by a specified date.

As with the Carl Moyer Program, the Monterey Bay Unified APCD generally allows 180 days from the date of contract execution for a School Bus Program project to be completed. District staff conduct post-inspections of all School Bus Program projects.

The Monterey Bay Unified APCD received School Bus Program funds in fiscal year 2005/2006 to administer the retrofit portion of the program. Fiscal year 2005/2006 was the only year within the scope of this audit that School Bus Program funds were awarded to the District. Such funds were used that year to retrofit nine buses with diesel particulate filters.

B. Commendable Efforts

The commendable efforts included in this section are noteworthy accomplishments by the Monterey Bay Unified APCD. Commendable efforts are exceptional practices that may serve as a model for other California districts' School Bus Programs.

1. Clear and Concise Application and Instructions

The Monterey Bay Unified APCD created a boilerplate application specific to their School Bus Program for fiscal year 2006/2007 school bus retrofit projects. The application includes instructions outlining the purpose of the grant program, eligible projects and costs, and steps that must be followed to complete and submit the application. It also includes a reference page with contact information for District staff and links to obtain information on ARB-verified retrofits, retrofit manufacturers, and vendors. The application itself is straightforward and user-friendly.

C. Recommendations for Future School Bus Program Improvement

The Monterey Bay Unified APCD should consider the following recommendations for future School Bus Program improvement. These recommendations do not require a response from the District, although it may choose to comment in its written response to this audit report.

1. Institute Policies and Procedures Specific to the School Bus Program

The recently adopted 2008 Lower Emission School Bus Program Guidelines require a policies and procedures manual for Districts to receive additional funding for the School Bus Program. The ARB recommends the District institute policies and procedures for this program. The policies and procedures must include the District's retrofit implementation plan, procedures regarding the replacement of older school buses, and the local program implementation process.

2. Ensure Timely Execution of Grant Agreements

The Grant Agreement reviewed during the audit was not signed by all parties - and was thus not considered fully executed by June 30, 2007. In the recently adopted 2008 Lower Emission School Bus Program Guidelines, it is required that all parties sign the agreement for the grant to be fully executed. ARB recommends that in the future, the Monterey Bay Unified APCD actively ensures that grant agreements for School Bus Program projects are fully executed by the date specified in the corresponding School Bus Program Guidelines.

3. Include Applicant Signature on Applications

The application for the School Bus Program project that was reviewed for this audit did not include the signature of the applicant. Since applications contain much of the information needed to evaluate the potential emission reductions and cost-effectiveness of a project, the application should be signed by an appropriate official. When signed, the information provided in the application is verified as being true and correct by the applicant.

IV. Findings, Conditions, and Required Actions

The following sections describe the audit findings and conditions, and set forth required actions that the Monterey Bay Unified APCD must undertake in implementing the Carl Moyer Program and the School Bus Program. "Findings" are brief descriptions of practices that are inconsistent with one or more of the following:

- State requirements under Health and Safety Code sections 44275 through 44299.2.
- Carl Moyer Program Guidelines (2003 and 2005 versions) (http://www.arb.ca.gov/msprog/moyer/guidelines/current.htm).
- School Bus Program Guidelines (2003, 2004, and 2006 versions) (http://www.arb.ca.gov/msprog/schoolbus/schoolbus.htm).
- Program advisories.
- Grant Award and Authorization requirements.
- Monterey Bay Unified APCD's written policies and procedures, including its contracts with the engine owners/grant recipients.

"Conditions" are the more detailed descriptions of the District's practices observed by ARB audit staff during the audit. "Required Actions" are the minimum actions the Monterey Bay Unified APCD must take to remedy the findings.

The Monterey Bay Unified APCD must provide ARB with a written response to the required actions by submitting a plan or method to remedy the respective findings listed below. The District's written response must be submitted to ARB within 30 days of notification of the findings. Finally, it is important to note that the District may have partially or fully mitigated the errors, omissions, or practices that caused the findings. These will be discussed in more detail below where applicable.

A. Carl Moyer Program

This section specifies findings, conditions and required actions resulting from the ARB's review of the Monterey Bay Unified APCD's implementation of the Carl Moyer Program.

Finding 1: Ineligible Match Projects

Condition:

ARB had a significant number of concerns regarding two of the three match projects initially reviewed. The concerns were in regards to whether the projects met applicable Carl Moyer Program criteria and Guideline requirements. ARB staff provided the Monterey Bay Unified APCD with a list of questions regarding eligibility, reporting, and enforceability of these projects. In the process of working through these concerns, the District opted to mitigate this possible finding by providing a new list of match projects that consisted of infrastructure and local mitigation funded projects. ARB found the new list of infrastructure projects acceptable for meeting match requirements. In addition to providing a new list of infrastructure projects, the District has provided contract information for the replacement match projects for program fiscal years 2003/2004 through 2006/2007.

Required Action:

The projects being selected for match for fiscal years 1998/1999 through fiscal year 2006/2007 have been changed. As a result, the District must submit a list of projects to ARB for all complete Carl Moyer Program years that designates applicable match project by fiscal year, as well as copies of executed contracts and invoices associated with these projects. Monterey Bay Unified APCD has provided ARB with relevant information for the audit time frame, fiscal years 2003/2004 through 2005/2006. However, relevant information for fiscal years 1998/1999 through 2002/2003 must be provided by June 30, 2008, and information for fiscal year 2006/2007 must be provided by June 30, 2009.

Finding 2: Inadequate Documentation of Policies in Practice

Condition:

Of the ten Carl Moyer Program project files reviewed, eight files were missing key information that would have documented project history. The omissions include such practices related to the use of: District baseline engine cost defaults, engine substitutions, usage changes, and District follow-up procedures when the grantee missed contract milestones. Although District staff were able to provide satisfactory explanations to ensure eligibility, there was no written explanation of how or why certain project decisions were made. As such, the omissions of these District practices made it difficult to track the project history or project-specific determinations.

Required Action:

The Monterey Bay Unified APCD must document all policies in practice for its Carl Moyer Program. The District must ensure this documentation describes the entire process for each project, on a project level and on a program level, to ensure transparency. This can be accomplished by amending policies and procedures and/or including documentation in project files. The practices described below are acceptable and consistent with the Carl Moyer Program goals and objectives. A description of the practice must be documented in the District policies, while the project files must document specific justification.

- For projects subject to the 2005 Carl Moyer Program Guidelines, the District developed default baseline engine rebuild costs for the baseline engine that it uses in lieu of applicant-provided projectspecific dealer/repair shop costs. Policies must include a list of these default rebuild costs and a discussion regarding their use and development must be documented.
- During pre-inspection, the District allows the substitution of a different engine than specified in the original application if the substituted engine meets eligibility requirements. During post-inspection, the District similarly allows the substitution of a different engine than specified in the contract if the emission reductions meet or exceed the engine described in the project contract. A description of this practice, when it is allowed, and the rationale must be documented.
- A change in usage is allowed for the repowered engine to reflect the grantee's change in business practices or anticipated operation. The District allows the grantee to reduce usage but not increase the usage above the baseline usage amount. A description of this practice, when it is allowed and the rationale must be documented.
- If the grantee misses contract milestones (i.e. repowered engine invoices submitted to the district), the District will work with the grantee to amend the contract. Although the contract amendment may be updated after the milestone date, the process of updating the contract is considered acceptable to the District toward meeting the contract requirement until the amended contract is in place. A description of this practice, when it is allowed and rationale must be documented.

To address these omissions, the District has indicated that updates to their policy and procedures manual to include the listed practices, as well as other common District practices not otherwise documented, has been completed and will be considered by the local board for approval soon. The District must complete this mitigation effort and provide updated documentation to ARB for approval prior to receiving any fiscal year 2008/2009 Carl Moyer Program disbursements.

Finding 3: Inaccurate Reporting to ARB

Condition:

The Carl Moyer Program Final Reports for fiscal years 2003/2004 and 2004/2005 were inconsistent with the final reports provided to ARB during the audit period. Due to the District's first-come first-served process, there are times that projects are moved from an originally designated year to another. The District has been working with ARB to provide accurate information. ARB believes that the correct cost-effectiveness calculations and final projects have been provided for fiscal years 1998/1999 through 2005/2006 via two spreadsheets submitted ("Years6 thru 8 Final ReportingSpreadsheets.xls" and "Reconciled6thru9_3.xls").

Required Actions:

The District must verify that these are in fact the appropriate list of projects and accurate final reports for the prior Carl Moyer Program fiscal years 1998/1999 through 2002/2003. The District must complete this effort and provide a detailed report to the ARB by the August 30, 2008 reporting deadline.

Finding 4: Incomplete Inspections

Condition:

Of the files reviewed for fiscal year 2005/2006, in six out of seven projects a District representative did not document witnessing the startup of either the baseline or the repowered engine during inspection of the engine (this occurred either with the baseline or repower engine but not both). As per the 2005 Guidelines, a district representative must verify engine operation (with start up) and verify that the engine is working as described in the application (for pre-inspections) and verify that the engine starts up and mobile projects run (for post-inspections). Startup engine verification ensures the baseline operation is a viable project to fund and startup on the funded engine ensures program funds are used as contracted.

District staff stated their practice is to use the issuance of a warranty certificate for each engine as proof of engine operation because the warranty certificate demonstrates to the original engine manufacturer (OEM) or OEM dealer that the engine is operating. However this documentation was not available for all projects reviewed. While ARB might consider such a practice to be acceptable on a case-by-case basis, the District must submit a request to ARB to approve such a practice prior

to its implementation since it deviates from the Carl Moyer Program Guidelines.

Moreover, the District's documentation of post-inspections of marine vessel projects were not clear if associated equipment such as the power takeoff system was installed at the time of post-inspections.

Required Actions:

The District must verify that all engines subject to the 2005 Guidelines and this audit are operational by visually observing engine start-up. The District must update their files to include documentation of such verifications. The District staff stated they have changed their practice and now always record observed start-up of an operational engine or failure to start.

In addition, the District must remove the statement from its policies and procedures manual that specifies, for pre-inspections that "evidence of recent operation includes: a recent date of oil change written in indelible ink on a relatively new, rust free oil filter, fresh oil change written in indelible ink or a relatively new, rust free oil filter, fresh oil or fresh fuel seal leakage and a dust/cobweb free appearance" as proof of engine being operational. The District has already updated its policies and procedures manual regarding post inspections to reflect that the engine must be started.

B. School Bus Program

This section specifies findings, conditions, and required actions as a result of ARB's audit of the Monterey Bay Unified APCD's School Bus Program.

Finding 1: California Highway Patrol (CHP) Safety Inspection Requirements

Condition:

The 2006 School Bus Program Guideline outlines minimum funding agreement and reporting requirements associated with CHP safety inspections. The funding agreement for the school bus project reviewed did not include the required language and a copy of the CHP inspection was not in the file.

Required Actions:

The Monterey Bay Unified APCD must obtain copies of the CHP certification for the School District retrofit project reviewed and provide copies of the certificates to ARB before receipt of future school bus funds.

In addition, the District must ensure that all future School Bus Program retrofit grant agreements include all requirements as outlined in the School Bus Program Guidelines. The CHP safety inspections must also be

completed for all school buses after retrofit installation and prior to being returned to service. Documentation of the completed CHP inspections must be obtained and kept in the project files.

Attachment 1

List of Projects Reviewed

2008 Carl Moyer Program Audit of the Monterey Bay Unified Air Pollution Control District

Monterey Bay Unified Air Pollution Control District 2008 Carl Moyer Program Audit **List of Projects Reviewed** In-Depth Project Eligibility **Project Name** Source Category File Site Visit Number Review Review 1999/2000 Fiscal Year Frank Ribeiro** 6 Marine Χ Michael Kriz** 27 Marine Χ 2002/2003 Fiscal Year Rich Aiello** 62 Marine Χ 2003/2004 Fiscal Year Rava Ranches, Inc. 107 Agricultural pump Χ Χ Star of Monterey 104 Marine Braga Ranches Off-road Χ Χ Χ 97 Monterey County Agricultural 03-10 Off-road (match) Χ Commissioner* 2004/2005 Fiscal Year Arroyo Seco Canyon 119 Agricultural pump Χ Vineyards 102 Off-road Χ Enz Construction, Inc. University of California, Infrastructure Χ 4-39 Santa Cruz (match) 2005/2006 Fiscal Year Marvin Borzini 136 Agricultural pump Χ Χ Χ X X Joe Stoops 121 Marine Off-road X Sebastian Harvesting 144 Off-road 152 Χ Tanimura and Antle, Inc. (multidistrict) San Benito County Off-road (match) Χ Χ Agricultural 04-23 Χ Commissioner* Giovanni Nevoloso** 124 Marine Χ Robert Aliotti** 135 Marine Χ John Aliotti** 138 Marine Randy's Fishing Trips** Χ 127 Marine 2006/2007 Fiscal Year Saint Joseph II 15 Marine Χ Χ Χ

^{*} Projects initially identified as match projects but withdrawn by the Monterey Bay Unified APCD during the audit.

^{**} Additional projects selected for review based on initial ARB and Department of Finance review.

Attachment 2

List of Projects Reviewed

2008 School Bus Program Audit of the Monterey Bay Unified Air Pollution Control District

Monterey Bay Unified Air Pollution Control District 2008 Lower-Emission School Bus Program Audit List of Projects Reviewed			
Public School District / Contractor Servicing Public School District	Project Number	Project Type	
2005/2006 Fiscal Year			
Pajaro Valley Unified School District	CSB4-1	Retrofit 9 buses	

Attachment 3

Resources

Resources

- 1. Air Resources Board Carl Moyer Program Website http://www.arb.ca.gov/msprog/moyer/moyer.htm
- 2. Air Resources Board Lower-Emission School Bus Program Website http://www.arb.ca.gov/msprog/schoolbus/schoolbus.htm
- 3. Air Resources Board Incentives Oversight Audit Website (Includes previous reports and Audit Policies and Procedures) http://www.arb.ca.gov/msprog/moyer/audits/audits.htm
- Department of Finance, Office of State Audits and Evaluations, Audit Reports Website http://www.dof.ca.gov/osae/audit_reports/
- 5. Monterey Bay Unified Air Pollution Control District Website http://www.mbuapcd.org